

# Business Math Terms Final Exam

1. \_\_\_ A person who purchases goods and services for personal use.  
A.Budget B.Salary C.Financial literacy D.Consumer
2. \_\_\_ A legal maximum price that can be charged for a good or service.  
A.Oligopoly B.Net worth C.Price ceiling D.Opportunity cost
3. \_\_\_ The date on which an invoice is issued.  
A.Marketing mix B.Invoice date C.Dependent variable D.Asset allocation
4. \_\_\_ A business structure in which two or more individuals share ownership and responsibility.  
A.Market research B.Partnership C.Cash register D.Entrepreneurial mindset
5. \_\_\_ A variable that stands alone and isn't changed by the other variables you are trying to measure.  
A.Independent variable B.Human resources C.Expense D.Invoice date
6. \_\_\_ A machine used to record sales transactions and handle cash in a retail business.  
A.Sunk cost B.Cash register C.Financial literacy D.Marketing mix
7. \_\_\_ A decrease in the value of an asset over time.  
A.Discount B.Cashier C.Independent variable D.Depreciation
8. \_\_\_ A business owned and operated by one person.  
A.Demand curve B.Sole proprietorship C.Asset allocation D.Capital expenditure
9. \_\_\_ A financial statement that shows a company's revenues and expenses over a period of time.  
A.Blue chip stocks B.Producer C.Macroeconomics D.Income statement
10. \_\_\_ A person who owns and operates a business by themselves.  
A.Economies of scope B.Marketing mix C.Balance sheet D.Sole proprietor
11. \_\_\_ The ability to borrow money or obtain goods on trust with the understanding that payment will be made later.  
A.Value proposition B.Credit C.Inventory D.Partnership
12. \_\_\_ The process of gathering information about consumers' needs and preferences.  
A.Gross profit B.Time value of money C.Market research D.Investment
13. \_\_\_ A market structure in which many firms sell similar but not identical products.  
A.Monopolistic competition B.Collateral C.Blue chip stocks D.Dependent variable
14. \_\_\_ The rate at which the general level of prices for goods and services is rising.  
A.Dividend B.Inflation C.Financial statement analysis D.Demand
15. \_\_\_ A variable whose value depends on that of another.  
A.Economies of scale B.Collateral C.Dependent variable D.Revenue stream
16. \_\_\_ A graphical representation of the relationship between price and quantity demanded.  
A.Demand curve B.Asset allocation C.Net worth D.Entrepreneurial spirit
17. \_\_\_ A person who handles cash transactions, such as receiving payments and giving change.  
A.Production B.Market segmentation C.Cashier D.Equity

- 
18. \_\_\_ The unique benefits a product or service offers to customers.  
A.Invoice number B.Mortgage C.Fixed costs D.Value proposition
19. \_\_\_ The value of an asset after liabilities have been deducted.  
A.Equity B.Profit C.Oligopoly D.Overhead
20. \_\_\_ A market structure in which a few large firms dominate the market for a particular good or service.  
A.Invoice number B.Gross margin C.Monopoly D.Oligopoly
21. \_\_\_ The principle that money received today is worth more than the same amount in the future.  
A.Time value of money B.Liability C.Cost of goods sold D.Monopolistic competition
22. \_\_\_ A measure of how sensitive the quantity demanded of a good is to a change in its price.  
A.Diversification B.Budget C.Cash flow D.Price elasticity
23. \_\_\_ The combining of two or more companies into a single entity, often through the purchase of one company by another.  
A.Partnership B.Mergers and acquisitions C.Producer D.Oligopoly
24. \_\_\_ A person or company that makes goods or provides services.  
A.Producer B.Cost benefit analysis C.Law of supply D.Marketing
25. \_\_\_ The ongoing expenses of operating a business that are not directly tied to production.  
A.Invoice B.Overhead C.Interest D.Gross margin
26. \_\_\_ The sources of income for a business.  
A.Sole proprietorship B.Monopoly C.Microeconomics D.Revenue stream
27. \_\_\_ The legal responsibility or obligation to pay debts.  
A.Liability B.Demand C.Gross income D.Production
28. \_\_\_ The cost advantages that a business gains from producing a variety of products or services.  
A.Bankruptcy B.Financial statement analysis C.Sunk cost D.Economies of scope
29. \_\_\_ A method used to compare the costs and benefits of different courses of action.  
A.Payroll B.Cost benefit analysis C.Partnership D.Sole proprietor
30. \_\_\_ An individual or institution that owns shares in a company.  
A.Supply B.Underwriter C.Shareholder D.Entrepreneurship
31. \_\_\_ A financial statement that shows a company's financial position at a specific point in time.  
A.Cash flow B.Discount C.Balance sheet D.Underwriter
32. \_\_\_ A financial statement that shows the flow of cash into and out of a business over a period of time.  
A.Cash flow statement B.Assets C.Cost benefit analysis D.Asset allocation
33. \_\_\_ The amount of money remaining in an account.  
A.Balance B.Net worth C.Diversification D.Monopoly

- 
34. \_\_\_ A person who starts and manages a business, taking on financial risks in the hope of profit.  
A.Mortgage B.Entrepreneur C.Sales tax D.Marketing
35. \_\_\_ A payment made by a corporation to its shareholders, usually as a distribution of profits.  
A.Underwriter B.Marketing C.Sales tax D.Dividend
36. \_\_\_ A loan used to purchase real estate, with the property serving as collateral.  
A.Mortgage B.Net income C.Market segmentation D.Capital expenditure
37. \_\_\_ A person or company that evaluates and assumes the risk of another entity for a fee.  
A.Market research B.Revenue C.Underwriter D.Expense
38. \_\_\_ The sequence of processes involved in the production and distribution of a commodity.  
A.Cash flow B.Microeconomics C.Stock D.Supply chain
39. \_\_\_ A measure of the profitability of an investment relative to its cost.  
A.Return on investment B.Market segmentation C.Principal D.Perfect competition
40. \_\_\_ Stocks of well-established companies with a history of stable earnings and dividends.  
A.Gross margin B.Blue chip stocks C.Revenue stream D.Oligopoly
41. \_\_\_ A cost that has already been incurred and cannot be recovered.  
A.Value proposition B.Sunk cost C.Human resources D.Producer
42. \_\_\_ The direct costs attributable to the production of goods sold by a company.  
A.Macroeconomics B.Depreciation C.Assets D.Cost of goods sold
43. \_\_\_ The combination of factors that a company uses to promote its products or services.  
A.Marketing mix B.Stock C.Mergers and acquisitions D.Marketing
44. \_\_\_ A legal process in which a person or business is unable to repay their debts.  
A.Bankruptcy B.Gross profit C.Overhead D.Asset allocation
45. \_\_\_ Money spent by a business to acquire or improve fixed assets.  
A.Monopoly B.Capital expenditure C.Investment D.Production
46. \_\_\_ The amount of a product that producers are willing to sell at a given price.  
A.Supply B.Invoice number C.Capital expenditure D.Sole proprietorship
47. \_\_\_ The right to use a company's business model and brand for a fee.  
A.Franchise B.Sole proprietorship C.Salary D.Producer
48. \_\_\_ A reduction in the price of goods or services.  
A.Discount B.Warranty C.Net worth D.Inventory
49. \_\_\_ The value of the next best alternative that must be forgone when a decision is made.  
A.Discount B.Opportunity cost C.Revenue D.Macroeconomics
50. \_\_\_ Expenses that remain constant regardless of the level of production or sales.  
A.Fixed costs B.Gross income C.Cash flow D.Monopolistic competition
51. \_\_\_ A document that lists items or services provided, their prices, and the total amount owed.  
A.Law of demand B.Salary C.Invoice D.Sole proprietor

- 
52. \_\_\_ Hiring an outside company to perform services or produce goods instead of doing it internally.  
A.Cashier B.Blue chip stocks C.Expense D.Outsourcing
53. \_\_\_ A way of expressing a number as a fraction of 100.  
A.Oligopoly B.Percent C.Price floor D.Entrepreneurial spirit
54. \_\_\_ The total amount of money a business earns from its goods or services.  
A.Sole proprietorship B.Cost of goods sold C.Revenue D.Interest
55. \_\_\_ The principle that, all else being equal, as the price of a good or service increases, the quantity supplied increases.  
A.Salary B.Stock C.Expense D.Law of supply
56. \_\_\_ The process of analyzing a company's financial statements to assess its financial performance.  
A.Marketing mix B.Financial statement analysis C.Sales tax D.Balance
57. \_\_\_ The study of the economy as a whole, including factors like inflation, unemployment, and GDP.  
A.Gross margin B.Macroeconomics C.Cash flow D.Expense
58. \_\_\_ The total income earned before deductions such as taxes or expenses.  
A.Balance B.Gross income C.Warranty D.Macroeconomics
59. \_\_\_ The mindset of individuals who are willing to take risks to pursue opportunities.  
A.Price ceiling B.Financial statement analysis C.Market research D.Entrepreneurial spirit
60. \_\_\_ A plan for managing income and expenses over a certain period of time.  
A.Outsourcing B.Capital expenditure C.Percent D.Budget
61. \_\_\_ Expenses that change in proportion to the activity of a business.  
A.Gross profit B.Cash register C.Variable costs D.Cash flow
62. \_\_\_ Putting money into something with the expectation of making a profit in the future.  
A.Credit B.Investment C.Law of demand D.Balance sheet
63. \_\_\_ The process of promoting and selling products or services.  
A.Financial statement analysis B.Fixed costs C.Marketing D.Capital expenditure
64. \_\_\_ A way of thinking that enables individuals to identify and pursue opportunities.  
A.Credit B.Income statement C.Break-even point D.Entrepreneurial mindset
65. \_\_\_ A tax imposed by the government on the sale of goods and services.  
A.Partnership agreement B.Sales tax C.Marketing mix D.Economies of scope
66. \_\_\_ The total assets minus total liabilities of an individual or company.  
A.Invoice number B.Inflation C.Net worth D.Gross profit
67. \_\_\_ An entry recording a sum owed, listed on the left-hand side of an account.  
A.Human resources B.Partnership agreement C.Time value of money D.Debit
68. \_\_\_ A guarantee provided by a seller that a product will meet certain standards.  
A.Perfect competition B.Warranty C.Dependent variable D.Partnership

- 
69. \_\_\_ The total amount of money paid to employees for services they provided during a certain period.  
A. Corporation B. Payroll C. Inflation D. Equity
70. \_\_\_ A fixed regular payment, typically paid monthly, for work done.  
A. Salary B. Independent variable C. Depreciation D. Asset allocation
71. \_\_\_ A legal minimum price that can be charged for a good or service.  
A. Revenue stream B. Warranty C. Entrepreneurship D. Price floor
72. \_\_\_ The study of individual behavior and decision-making in the economy.  
A. Cost of goods sold B. Perfect competition C. Microeconomics D. Cash register
73. \_\_\_ The amount of money borrowed or invested, excluding any interest or dividends.  
A. Inflation B. Principal C. Monopoly D. Invoice number
74. \_\_\_ The cost advantages that a business gains from increased production.  
A. Stock B. Dependent variable C. Fixed costs D. Economies of scale
75. \_\_\_ The principle that, all else being equal, as the price of a good or service increases, the quantity demanded decreases.  
A. Law of demand B. Partnership C. Diversification D. Price floor
76. \_\_\_ The amount of money gained from selling goods or services after all costs are subtracted.  
A. Franchise B. Diversification C. Profit D. Cost benefit analysis
77. \_\_\_ A market structure in which many small firms sell identical products and have no market power.  
A. Revenue stream B. Perfect competition C. Monopolistic competition D. Stock
78. \_\_\_ A legal entity that is separate from its owners and can enter into contracts and own property.  
A. Corporation B. Debit C. Variable costs D. Balance
79. \_\_\_ A unique identifier assigned to each invoice.  
A. Gross margin B. Invoice number C. Partnership agreement D. Shareholder
80. \_\_\_ The activity of setting up a business or businesses, taking on financial risks in the hope of profit.  
A. Value proposition B. Gross margin C. Net income D. Entrepreneurship
81. \_\_\_ The money spent or required to be paid for something.  
A. Marketing mix B. Sunk cost C. Microeconomics D. Expense
82. \_\_\_ The fee charged by a lender to a borrower for the use of borrowed money.  
A. Time value of money B. Interest C. Balance sheet D. Inventory
83. \_\_\_ The goods and materials a business holds for the ultimate purpose of resale.  
A. Inventory B. Expense C. Partnership agreement D. Debit
84. \_\_\_ The department within a company that manages employee-related functions.  
A. Human resources B. Equity C. Consumer D. Diversification
85. \_\_\_ The strategy of distributing investments among different asset classes.  
A. Salary B. Mortgage C. Asset allocation D. Balance

- 
86. \_\_\_ A legal document that outlines the terms and conditions of a partnership.  
A.Consumer B.Cash register C.Cost benefit analysis D.Partnership agreement
87. \_\_\_ Spreading investments across different assets to reduce risk.  
A.Asset allocation B.Balance C.Diversification D.Cash flow statement
88. \_\_\_ The level of sales at which total revenue equals total costs.  
A.Assets B.Break-even point C.Sole proprietorship D.Interest
89. \_\_\_ A share representing ownership in a company.  
A.Gross margin B.Net worth C.Stock D.Price ceiling
90. \_\_\_ Property or other assets that a borrower offers as security for a loan.  
A.Macroeconomics B.Franchise C.Economies of scale D.Collateral
91. \_\_\_ The process of creating goods and services.  
A.Market segmentation B.Production C.Price elasticity D.Break-even point
92. \_\_\_ The difference between revenue and cost of goods sold, expressed as a percentage.  
A.Discount B.Gross margin C.Cash flow statement D.Microeconomics
93. \_\_\_ Items of value owned by a person or business.  
A.Blue chip stocks B.Inventory C.Assets D.Dependent variable
94. \_\_\_ The knowledge and skills required to make informed financial decisions.  
A.Financial literacy B.Partnership C.Marketing mix D.Debit
95. \_\_\_ The movement of money into and out of a business.  
A.Perfect competition B.Entrepreneurial spirit C.Revenue stream D.Cash flow
96. \_\_\_ A market structure in which a single seller dominates the market for a particular good or service.  
A.Production B.Balance sheet C.Monopoly D.Salary
97. \_\_\_ The amount of money left after all deductions have been made from gross income.  
A.Gross income B.Producer C.Net income D.Consumer
98. \_\_\_ The desire and ability of consumers to purchase goods and services at a particular price.  
A.Production B.Net worth C.Entrepreneurial spirit D.Demand
99. \_\_\_ Dividing a market into distinct groups of buyers who have different needs or characteristics.  
A.Balance B.Discount C.Investment D.Market segmentation
100. \_\_\_ The difference between revenue and the cost of goods sold.  
A.Blue chip stocks B.Equity C.Gross profit D.Entrepreneurial mindset